

Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-01
INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06 SP-02
LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04 CEA-01 PA-02
PRS-01 /093 W

-----051327 029433 /40

R 041836Z MAR 77

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC 3703

INFO AMEMBASSY BOGOTA

AMEMBASSY BRASILIA

AMEMBASSY BUENOS AIRES

AMEMBASSY CARACAS

AMEMBASSY LIMA

AMEMBASSY LA PAZ

AMEMBASSY QUITO

DEPT OF AGRIC WASHDC

UNCLAS SANTIAGO 01770

E.O.11652:N/A

TAGS: AFSP, ALOW, AFIN, ECON, CI

SUBJ: INFLATION IN FEBRUARY

REF: SANTIAGO 1026

1. DURING FEBRUARY THE CONSUMER PRICE INDEX INCREASED BY 5.8 PERCENT, ACCORDING TO THE NATIONAL INSTITUTE OF STATISTICS (INE). INFLATION FOR THE FIRST TWO MONTHS OF THE YEAR ANNUALIZES TO ABOUT 98 PERCENT.

2. THE FOOD COMPONENT ACCOUNTED FOR 3.3 PERCENTAGE POINTS OF THE 5.8 PERCENT INCREASE; HOUSING FOR 0.8 POINTS; CLOTHING FOR 0.7 POINTS; AND MISCELLANEOUS ONE POINT.

3. THE DIRECTOR OF INE, SERGIO CHAPARRO, ANNOUNCED THAT THE
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QUARTERLY WAGE READJUSTMENT IN MARCH, WHICH IS BASED ON INFLATION RATE FOR THE PAST THREE MONTHS, WILL AMOUNT TO 19 PERCENT. THE NEXT READJUSTMENT WILL NOT OCCUR UNTIL JULY. THIS IS IN ACCORDANCE WITH A NEW POLICY WHICH CALLS FOR STRETCHING OUT INTERVALS BETWEEN PERIODIC NOMINAL WAGE INCREASES AS INFLATION DECELERATES.

4. COMMENT: THE 5.8 PERCENT FIGURE IS ON THE HIGH
SIDE OF EXPECTATIONS OF INFLATION IN FEBRUARY. IT IS, ON
THE OTHER O HAND, CONSIDERABLY LESS THAN MONETARY EXPANSION
IN DECEMBER AND JANUARY WHICH AVERAGED 15-20 PERCENT. THE
FEBRUARY INFLATION FIGURE IS NOT A PARTICULARLY USEFUL
INDICATOR OF WHAT THE RATE IS LIKELY TO BE IN THE MONTHS
AHEAD.
POPPER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INFLATION, RETAIL PRICE INDEXES
Control Number: n/a
Copy: SINGLE
Sent Date: 04-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977SANTIA01770
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770076-1069
Format: TEL
From: SANTIAGO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770392/aaaadczyz.tel
Line Count: 70
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b6b4adbd-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
Reference: 77 SANTA ISABEL 1026
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 28-Sep-2004 12:00:00 am
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3205860
Secure: OPEN
Status: NATIVE
Subject: INFLATION IN FEBRUARY
TAGS: AFSP, ALOW, AFIN, ECON, CI
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/b6b4adbd-c288-dd11-92da-001cc4696bcc
Review Markings:
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